

November – December  
2000



WASHINGTON STATE  
GAMBLING COMMISSION

# Focus n Gambling

## NEW TO THE AGENCY WEB SITE

The Gambling Commission web site ([www.wsgc.wa.gov](http://www.wsgc.wa.gov)) can now be accessed for information on the status of a card room employee's license for a commercial card room or Tribal casino.

This addition to the site is in response to the multiple inquiries our licensing staff were receiving from owners and CRE's who were calling on a regular basis to determine the status of their application. This was taking staff time away from processing applications in order to respond to these requests. The licensing staff partnered with our Information Services staff to develop a way to be responsive to these requests, yet not tie up valuable staff time needed to process the requests.

If you wish to find out what is happening with an individual's license, you may log onto the site and look under the "License Status" link. Upon entering the person's name into the system, you will be supplied with the present employer, the date the application was received, license number and expiration number (if a license has been issued), and the status of the application at that time.

We hope this new addition to the site will be of interest to the licensees. ?



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**Curtis Ludwig**  
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## JUST THE FAQ'S (FREQUENTLY ASKED QUESTIONS)

*This new feature of the newsletter will highlight frequently asked questions reported by Commission staff. If you have a topic you would like to see addressed in future newsletters, please contact newsletter editor Cindy Reed.*

*The first series of questions deals in an area not directly regulated by the state Gambling Commission, but which has been the source of frequent calls to our Legal Department. These questions and answers were developed by a team consisting of Arlene Dennistoun (Staff Attorney), Sylvia Reyes (Financial Investigations Unit) and Tony Hughes (Field Operations Division/Amusement Game Coordinator).*

### “Gambling on the Internet”

Have you been online and noticed advertisements for online gambling? Have you received direct mail advertising from online casinos? Is any of this legal? Below, we have attempted to answer some frequently asked questions regarding Internet gambling.

**1. Is online gambling legal in Washington State?**

No. State law prohibits the transmission or receipt of any wager or gambling information intended to be used for bookmaking or other unauthorized gambling activity. It is also illegal under federal laws, including the Federal Wire Wager Act (18 U.S.C. § 1084 (1994), to operate a betting or wagering business using telephone lines or other “wire communication facility.” Although online or Internet gambling is legal in other countries, for example, Australia, New Zealand, Sweden, Germany, South Africa, Antigua, etc., it is illegal for operators in these countries to accept wagers from people in the United States.

**2. If online gambling is illegal in the United States and Washington State, why do I see gambling websites all over the Internet?**

It is not illegal to operate an online or Internet gambling website in countries which permit it and when the people placing those bets are in those countries; it is illegal, however, to

solicit bettors from the United States, under the federal Wire Wager Act. People placing bets on the Internet when they are in the United States can be charged with Professional Gambling in the Third Degree.

**3. Has anyone ever been prosecuted for online gambling?**

Yes. Jay Cohen was convicted in February 2000 in New York for violating the Wire Wager Act in connection with his operation of World Sports Exchange (WSE). Others have been charged and/or convicted or have pled guilty to violating the Wire Wager Act.

**4. Can we sell and/or purchase raffle or lottery tickets online in Washington State?**

No; lottery tickets may only be purchased from licensees of the Lottery Commission. Additionally, online or Internet raffle and lottery activities are prohibited by the Federal Wire Wager Act.

**5. Can I advertise gaming activities online?**

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Yes, as long as the subject of the advertisement is authorized gaming activities. For example, any of the house-banked or tribal casinos may advertise on the Internet; however, it is illegal for companies to advertise or solicit citizens of Washington State to wager online.

**6. I have just won a lot of money wagering online, but the company won't pay me my winnings – what recourse do I have?**

Once you choose to engage in illegal activities, there is very little, if any recourse available. It is unlikely that you will be able to obtain winning wagers from an operator who has been shut down by government officials.

**7. Where can I obtain more information on Internet gambling?**

Please go to the Commission's website at <http://www.wsgc.wa.gov/> to view this article in its entirety. Also, the Washington State

Attorney General's Office operates a Consumer and Criminal Justice Cyber Clearinghouse website in which you will find tips on what to do if you are a victim of online or Internet fraud. Go to <http://www.wa.gov/ago/clearinghouse/>.

If this topic is of interest to you, you should also keep an eye on federal legislation that is being proposed to make it even more clear that gambling on the Internet is illegal. In Washington State, it is our position that the Wire Act previously cited prevents this activity, but future legislation may further clarify the violations and penalties. ?

## **BINGO ISSUES**

### **Power Ball vs. Hot Ball: What are the receipting requirements?**

*By Clint Lucci, Nonprofit Coordinator*

In the past there has been some confusion about the Washington Administrative Code (WAC) requirements for bingo power ball and hot ball games. The terms "power ball" and "hot ball" are bingo industry names for what the WAC defines as either a player selection or bonus bingo game. This article is intended to put the confusion to rest and to establish consistent enforcement statewide.

First, the terms power ball and hot ball must be defined. These terms are used interchangeably throughout the state. For example, one hall may operate a bonus game and advertise it as "power ball". Another hall in a different city may

operate a player selection game and also advertise it as "power ball". So, whether your hall advertises a game as "power ball" or "hot ball", the real criteria for determining regulatory requirements is whether it is operated as a player selection game or a bonus game – regardless of what it is called.

A player selection game allows the player to select numbers for their bingo card. A bonus game runs in conjunction with a regular game. Players pay an extra fee to be eligible for a larger prize if they bingo with a pre-selected bingo number or symbol on their card. In a

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bonus game the number is selected in a way that is independent of the player and it applies to all players who paid the extra money to play the bonus.

**What are the WAC receipting requirements for player selection games?**

WAC 230-20-241 authorizes two different formats:

1. **Bingo cards** must be two-part disposable with one original and one duplicate copy. Once the player has purchased their card, they record their numbers on the card and separate the two copies. The player will retain the duplicate copy and place the original in a designated locked box before the game starts.

**Disposable card receipting** must be used with these cards. If your hall is a class F or above, then combination receipting must be used.

2. **Bingo cards** generated electronically can be used if a duplicate copy is stored in the computer database and a copy is printed and retained for records and validation. The player will have the original copy in addition to the version on the electronic bingo dauber.

**Electronic card receipting** as outlined in WAC 230-20-106 must be followed if this method is used to sell player selection games.

**What are the requirements for a bonus game?**

WAC 230-20-246 (9)(c) states a bonus game is played in conjunction with a regular game. In other words, only some of the players pay extra money to be eligible for the bonus. If a player achieves a bingo with the pre-selected number or symbol and purchased the bonus, they must provide some type of proof that they paid to enter the bonus game such as a cash register receipt or a ticket.

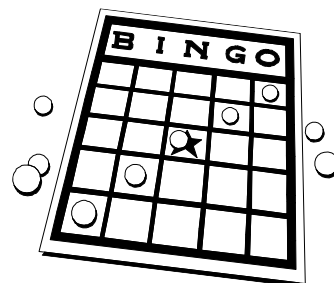
**Bingo cards** are regular one-part disposable. There is no requirement to have duplicate copy cards in a bonus game because the bonus number is pre-selected by a method determined by the hall – not each player.

**Any one of five card receipting methods** must be used with these cards as it would with any other regular game. If your hall is a class F or above, then combination receipting must be used for these cards.

**How do we account for the player who paid to enter the bonus game?**

Two acceptable methods are used. First, WAC 230-20-105 (2) (b), states ticket receipting may be used, but cash register receipting is another acceptable method. It should be noted that a class F or larger hall would be required to utilize ticket receipting in conjunction with combination receipting for these bonus games.

Clearly, much of the confusion concerning power ball and hot ball games has stemmed from a misunderstanding of definitions. This article is directed at those licensees who may be confused by these rules. It is our goal to maintain consistency in the interpretation and enforcement of administrative code in the future. This article is one of many efforts to educate our licensees and ensure they understand how administrative codes apply to their industry. ?



## ATTENTION CLASS B AND ABOVE COMMERCIAL AMUSEMENT GAME OPERATORS

The Gambling Commission hopes that 2001 will bring many successes to your organizations. There has been an increased emphasis in the monitoring of commercial amusement games this year over previous years due to an increasing number of violations of the RCW laws and WAC rules observed this past quarter. As a consequence of this increased monitoring, there have been many more cases referred for administrative actions during 2000. Several of the cases have been settled and have appeared in past newsletters. Several are still pending action.

Now is an excellent time for both route operators and premises operators to review how they are doing business with each other. While this news article is geared toward the Class B or above Commercial Amusement Game operator sharing revenue with the locations where amusement game machines are placed, owner/operators also need to be aware of the increased monitoring. Here are some rules to review and keep in mind for success:

- 1) Licensed Route Operators (Class B and above) must verify the location where they are placing an amusement game has a valid Class A (Premises Only) license (WAC 230-20-670(5)).
- 2) Licensed Route Operators must post a copy of their gambling license, in addition to the license issued to the premises, in the vicinity of the gambling activity (i.e., amusement game machine) (WAC 230-04-450). This is to ensure the public knows the amusement game machine they are playing is properly licensed for use in Washington. The Gambling Commission recommends that the license for the owner of the machine be affixed inside the machine to protect it from accidental destruction and disappearance. The premises license (Class A) may either be

located next to the route operator's license, or with the other gambling licenses for the premises (i.e. pull tabs, card room, etc.)

- 3) Owners of amusement game machines placed at Class A Premises Only locations must purchase the applicable year identification and inspection services stamps by December 31<sup>st</sup> of the preceding year (WAC 230-08-017) and affix it to the machine. Operators were sent a letter last year reminding them of this requirement.
- 4) Any and all contracts regarding the operation of amusement games shall be submitted to the Commission and become part of the license file. The contracts include those between amusement game machine owners and route operators and those contracts between route operators and the Class A Premises Only locations. Violations of the terms of the contract by a commercial amusement game operator may be grounds for suspension or revocation of their license (WAC 230-20-670(2)). ?



Type of Amusement Game License	Who Needs It	Posting and Notification Requirements	Special Concerns
Class A (premises only).	A location owner who does not own the amusement game machine but leases space or otherwise shares revenue with the machine owner.	<ul style="list-style-type: none"> <li>♦ Post license with other gambling licenses for the premises or along side the Class B license posted inside the machine.</li> <li>♦ Send copy of contract with Class B owner to Gambling Commission.</li> </ul>	Ensure that they do not allow a machine to be operated at their premises without a current Class B or larger amusement game license posted in the vicinity by the owner of the machine.
Class B or above (Also known as route operators if they lease machines to other premises).	A person who owns an amusement game on his/her own premises, or who leases the games to other locations.	<ul style="list-style-type: none"> <li>♦ Post a copy of the license next to the machine, or preferably inside the machine to verify the owner is licensed.</li> <li>♦ Send copies of all contracts with Class A licensees to Gambling Commission.</li> </ul>	Ensure that each location where the game is placed has a Class A license (not necessary only if the premises is owned by the class B licensee).

If there are any questions, please do not hesitate to call the Commission's Amusement Game Coordinator, Special Agent Tony Hughes at (253) 471-5312, extension 234. ?

## Mission Statement

**Protect the public by ensuring that gambling is legal and honest.**

## LABOR AND INDUSTRIES EMPLOYMENT STANDARDS

*In the past, State Labor and Industries complaints have been investigated against some Gambling Commission licensees for perceived or actual violations of state law related to employee pay, overtime hours, working conditions, and other issues regulated by that state agency.*

*The following article highlights some of the areas that licensees should be aware of. If you have any questions about the issues presented, please contact the number listed within the article for the Department of Labor and Industries.*

### WA State Department of Labor & Industries Employment Standards

In order to protect workers and ensure fair and equitable wages, the Washington State Department of Labor and Industries' Employment Standards program actively engages in enforcement activities as well as various education programs for workers and employers.

The following employment standards information is presented as a guideline for employers. Should the department receive complaints of this nature, Employment Standards agents will review company records to determine the validity of the complaints. Should evidence show unauthorized deductions from wages, unpaid hours worked, or unpaid overtime, restitution of unpaid wages to past and present employees will be demanded.

**Overtime.** RCW 49.46.130 states: "No employer shall employ any of his employees for a work week longer than forty hours unless such employee receives compensation for their employment in excess of the hours above specified at a rate not less than one and one-half the regular rate of pay." For the purposes of overtime payment, each workweek stands alone and there can be no averaging of two or more workweeks.

**Compensatory Time.** Comp time for non-exempt employees may only be upon request

of the employee and cannot be by employer policy. If the employee chooses comp time in lieu of overtime pay, the employee must be given time off at the rate of time and one-half (i. e. one and one-half hour off for one hour of overtime worked).

**Pay Days.** WAC 296-126-023 states "All wages due shall be paid at no longer than monthly intervals to each employee on **regularly scheduled paydays**." If an employee cannot cash their payroll check on the scheduled payday because there are not sufficient funds in the account to cover the check, the employer is in violation of the WAC, and may be prosecuted under Washington criminal code.

**Rest Breaks.** Employees must receive at least a ten-minute rest period in each four-hour shift as near to the midpoint as possible. However, employees may not work more than three hours without a rest period. The rest periods must be allowed on either a scheduled basis or on an intermittent basis. If employees are required to take their rest period on an intermittent basis, they must be allowed to take time throughout the four hour shift which adds up to ten minutes. Rest periods are on the employer's time.

**Meal Breaks.** L&I regulations also require

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that employees must receive at least a thirty minute meal period not less than two nor more than five hours from the start of the shift. The meal period is on the employee's time if they are free to come and go. However, if an employer requires or allows the employees to work through their meal period, the employees must be paid for that time. In addition, employees must still be allowed to eat their meal during this period.

***Wearing Apparel.*** An employer may not pass on to the employee the cost of a uniform when the uniform is marked with the employer's logo, or when worn outside of the workplace, clearly identifies the person as an employee of a specific employer. Also, there shall be no cost to the employee when unique apparel representing an historical time period or ethnic tradition or formal apparel is required to be worn. RCW 49.12.450 explains the employer's responsibility in regards to employee wearing apparel.

***Pay statements.*** Every employer shall furnish to each employee at the time of payment of wages an itemized statement showing the pay basis, i. e., hours or days worked, rate of pay, gross wages and all deductions for that pay period. A pay period shall be identified by month, day,

year and payment date. The statement shall include all actual hours worked, with regular and overtime hours shown separately, and all rates of pay, whether paid on hourly, salary, commission, piece rate or other basis during the pay period.

If you would like more information regarding employment standards contact the L&I Office of Information and Assistance at 1-800-LISTENS (1-800-547-8367) or visit the L&I website at [www.wa.gov/lni/](http://www.wa.gov/lni/)

### **Minimum wage to increase**

**Beginning Jan. 1, 2001, workers earning minimum wage in Washington State will make \$6.72 per hour, a 22-cent-per-hour increase over the current minimum wage. The recalculation is the result of an initiative approved by the voters in 1998 tying the minimum wage to changes in the federal Consumer Price Index. ?**





## Financial Reporting Services Reports

The following licensees failed to submit their quarterly reports when due. They have submitted their reports now and paid the appropriate fine based on the number of late reports in the preceding one-year period.

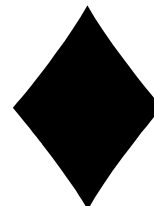
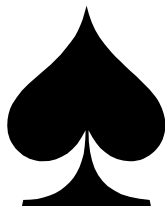
<u>LICENSEE/LOCATION</u>	<u>FINE</u>	<u>YR/QTR</u>
B.C. MacDonald's/Peterof	\$200	00/2
V.F.W. #03386/Airway Heights	\$200	00/2
Mick Finster's Alehouse & Grill/Kenmore	\$200	00/2

***Following is the schedule of fines used during settlement agreements for reports submitted late. If no report is submitted, the licensee will be issued a statement of charges.***

### **Schedule of Fines**

First Offense.....	\$200
Second Offense.....	\$400
Third Offense.....	\$600
Fourth Offense.....	No Fine – A Statement of Charges is automatically issued.

*Subsequent offenses may lead to loss of license*





## WASHINGTON STATE GAMBLING COMMISSION ADMINISTRATIVE ACTIONS



LICENSEE	VIOLATION	CASE OUTCOME
BPOE # 1604, Mount Vernon	Inadequate Internal Controls	A Statement of Charges was issued. The licensee agreed to a 30 day suspension. 15 of those day were deferred; 15 days were vacated by payment of a \$480 fine. The licensee also agreed that all current Board members would view the Commission's video tape regarding non-profit organizations, and review the Commission's Management Guidelines for Charitable/Non-Profit Licensees.
Nicholas Finamore, Jr. (CRE-Diamond Lil's), Renton	Illegal Bookmaking – Accepting bets and passing them on to an alleged bookmaker.	An Order of Summary Suspension was issued. The Administrative Law Judge upheld the Summary Suspension and ordered Mr. Finamore's license revoked.
Scrapbook Restaurant (a/k/a Silver Lanes), Spokane	Allowing an unlicensed individual to work as a card room employee.	The licensee agreed to a 20 day suspension, which was vacated by payment of a \$250 fine. The licensee also agreed to reimburse the Commission \$450 for its investigative and administrative costs.
Boys & Girls Clubs of Whatcom County, Bellingham	Inadequate Internal Controls.	The Director issued a Statement of Charges. The licensee agreed to a 30 days suspension. 22 days were deferred; 8 days were vacated with payment of a \$2,484 fine. The licensee also agreed to various changes and restrictions regarding their internal controls.
6th & Proctor Bar & Grill, Tacoma	Failure to submit Quarterly Activity Reports in a timely manner.	The Director issued a Statement of Charges for the suspension or revocation of their license. The licensee agreed to a 15 day suspension. 5 days were deferred; 10 days were vacated by payment of a \$500 fine. The licensee agreed to submit all subsequent quarterly activity reports within the time prescribed. Failure to do so will result in a license suspension.
Norman Miller (Diamond Lil's, Freddie's Club), Renton	Illegal sale of narcotics while on licensed premises, and participating in bookmaking activities.	The Director issued a Statement of Charges revoking Mr. Miller's license. Mr. Miller agreed to surrender his license. He may reapply for licensure after two years, and if qualified, will receive an 18 month conditional license.

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## ADMINISTRATIVE RULES CHANGES

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**The following rules were adopted at the November meeting.**

### Emergency Filing – Licensing fees

**WAC 230-04-202 Fees – Bona fide charitable/nonprofit organizations.**  
**WAC 230-04-204 - Fees – Individuals.**  
**WAC 230-04-203 - Fees – Commercial stimulant and other business organizations.**

In December 1999, the Commission adopted fee increases for licensees under WSR 99-24-099. I-722 recently passed by a vote, however, it has been challenged and is currently under review. Because of this, there is a cloud of uncertainty regarding the proper amount licensing fees should be set at. Therefore, the Commission adopted an emergency filing to readopt current licensing fee levels, which were established. Pursuant to RCW 34.05.350 (2), this emergency filing is effective for 120 days.

Fees will remain at the same level they are currently at. This filing does not increase fees, it merely readopts the fees which were passed in December 1999. If I-722 is upheld, we will issue refunds accordingly.

### Reporting Changes in Management

**WAC 230-04-330**  
**Changes of management.**

Currently, this rule requires all changes in management positions to be reported to the Commission. This enables staff to conduct background investigations on people involved in the management of a gambling operation.

This amendment specifically lists which positions must be reported to the commission when changes are made to the management structure. By listing specific positions,

redundancies are removed. For example: charitable and nonprofit organizations will no longer have to report management changes of individuals that are already licensed as a charitable or nonprofit gambling manager. A licensed charitable or nonprofit gambling manager has already passed a background investigation and is authorized to manage gambling activities. Therefore, there is no need to notify staff so that another background investigation can be conducted.

### House Rules for Bingo Games

**WAC 230-20-010**  
**Disclosure of prizes and rules.**

This rule sets forth what a licensee must post in its house rules. This amendment clarifies that a bingo operator's house rules cannot be structured in a way that would make a valid bingo invalid. Prizes must be paid to all valid bingo winners. This rule was proposed because a few bingo operators had adopted house rules for "Pick 8" games that they would not pay the player for the bingo if he had marked through the number. Commission staff received complaints about this because the numbers were still readable and the bingo valid.

### Bingo Net Return Task Force Rules Package

Only one rule (230-08-255) from this rules package was adopted at the November meeting. The remaining rules were held over until January (see next page).

**WAC 230-08-255**  
**Bona fide charitable or nonprofit organizations—Significant progress required—Procedures—Exception.**  
The formula licensees use to determine if they

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have made significant progress towards supporting their stated purpose has been simplified. Currently, the assets an organization purchases with its gambling income are used in the significant progress calculation. When an organization doesn't separate gambling related assets from other nongambling related assets, there are additional reporting requirements and a separate formula to determine which assets will be considered gambling related assets. The task force simplified the significant progress formula. Now gambling income, rather than assets purchased with gambling income, will be used in a new significant progress calculation. Housekeeping changes were made throughout the rule to provide better clarity in significant progress requirements.

Finally, an organization's non depreciable assets will now be considered part of its program services, if the purchase is program related. This allows organizations whose primary purpose is supporting programs with non depreciable assets to comply with significant progress requirements.

**These two rules packages were held over from the November meeting and will be discussed at the January meeting.**

**Bingo Net Return Task Force Rules Package**

There was a lot of discussion on this at the November meeting. The "significant progress" rule (230-08-255, see above) was adopted. The remaining rules were held over until the January 2001 meeting. The Commission is still working on coming up with something that is fair to everyone.

The Bingo Net Return Task Force members determined that the current rules dealing with net return requirements for bingo operators were too strict and complicated. This resulted in a study of the net return rules along with discussions on ways to streamline them. After two years of work, the task force developed

rules which makes compliance with net return and significant progress requirements easier to work with for both licensees and staff. In the last few months, most of the discussion has focused on what the appropriate sanctions should be for bingo operators that are returning few funds to their stated purposes.

Currently, bingo operators who fail to meet their net return requirements are subject to a license reduction. Prior to the license reduction, licensees may request a waiver from the director, who reviews the licensee's case to determine if they can meet net return requirements in the future. The following three alternatives were discussed at the November meeting.

**Alternative #1:** This alternative simplifies the net return process and was first discussed at the September meeting. The first time a licensee fails to meet their net return requirements, its prizes paid out will be limited (limitation amounts are set forth in the rule). If the licensee fails to meet its net return for a second year, their gross gambling receipts will be limited; and in the third year, gross gambling receipts will be further limited.

**Alternative #2:** At the October meeting, Commissioner Forrest requested a more simplified version of Alternative #1. This version would require a bingo operator to return a minimum percentage of bingo gross receipts to their stated purpose. This alternative was discussed at the November meeting and would require Class F and below bingo operators to simply maintain a positive cash flow; Class G-K operators would return at least two percent of bingo gross receipts to their stated purpose; and Class L and above licensees would return at least three percent of bingo gross receipts to their stated purpose.

**Alternative #3:** Director Bishop presented this third alternative at the November meeting. This alternative lists a specific percentage of gross receipts licensees must contribute to their stated purpose. Discussion continues to further simplify this rule.

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**Alternative #4:** This rule sets new standards and sanctions based on cash flow from the bingo operation.

All alternatives set the length of time an organization can operate with a negative cash flow, without being subject to administrative action, at a maximum of any two consecutive calendar quarters. An additional change was made to eliminate portions of the reporting requirements for organizations determined to be out of compliance.

#### New Marketing Schemes for Pull-Tabs

At the November meeting, the Commission voted to hold this rules package over until the January 2001 meeting. During meetings with the Bingo Net Return Task Force, new marketing schemes for pull-tabs were discussed as a way to promote business for the bingo halls. However, any changes would apply to commercial operators, too.

#### **WAC 230-30-033 (Hold) Event pull-tab series – Definitions – Restrictions.**

At the October meeting, it was suggested that the name of this game be changed so that it would not be confused with “holding” a game for a customer. The name has now been changed to “Event” pull-tab. This new rule authorizes a secondary element of chance to be included in hold pull-tab series. Each hold pull-tab series will contain an opportunity to advance to additional rounds of play for additional prizes. Each licensee will post house rules that set forth how the winner of the secondary element of chance will be selected. The requirements and restrictions for this game are set forth in this rule.

#### **WAC 230-30-036 Strip pull-tab series – Definitions – Restrictions.**

At the October meeting, the commission voted to increase the maximum amount that can be

charged for a single strip ticket from one dollar to five dollars. This new rule authorizes two, three, four or five pull-tab series to be combined into one series, known as a strip pull-tab series. Each series included in a strip pull-tab series will appear separately under perforated “windows” on the strip pull-tab. All of the series included in a strip series may be combined onto one flare, or each series may have its own flare. The requirements and restrictions for this game are set forth in this rule.

Staff has discussed these types of games with pull-tab manufacturers and were told they may be cost prohibitive. Furthermore, the organizations want a guaranteed winner in each strip, which would require substantial changes. Because of these factors, this rule may not ultimately be passed.

#### **Rules Filed at the November meeting.**

##### Licensing Fees

**WAC 230-04-202 Fees – Bona fide charitable/nonprofit organizations.**  
**WAC 230-04-202 Fees – Bona fide charitable/nonprofit organizations.**  
**WAC 230-04-204 - Fees – Individuals.**  
**WAC 230-04-203 - Fees – Commercial stimulant and other business organizations.**

In December 1999, the Commission adopted fee increases for licensees. I-722 recently passed by a vote, however, it has been challenged and is currently under review. Because of this, there is a cloud of uncertainty regarding the proper amount licensing fees should be set at. The Commission felt this was confusing for licensees; therefore, an emergency filing (above) was passed to readopt the licensing fee amounts established last December

Emergency rules are only valid for 120 days. Therefore, this filing was made to begin the process to readopt the December 1999, fees on a permanent basis. This filing does not

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increase license fees; it merely readopts fees at their current level.

### Tracking Card Room Employees

Under current rules, both a card room operator and card room employee (CRE) are required to notify the commission when the CRE begins working, transfers to another card room, begins working for an additional card room or is terminated. The notification process is being simplified and automated. Now only the employer will notify the commission of changes in CREs, rather than both the card room operator and CRE. However, both will still sign the application.

### **WAC 230-04-140**

#### **Licensing of public card room employees – Procedures – Exceptions.**

Housekeeping: Language was amended in this rule to correspond with the new, streamlined reporting process. Furthermore, headers have been added so that topics are easier to find.

Currently, a CRE must wait 15 days from when they submit their application to when they may begin working. This waiting period was recently reduced from 20 days to 15 days with the implementation of a new automated process developed for conducting initial background checks. It has now been determined that this new automated system will allow for the waiting period to be further reduced, from 15 days to 10 days. This will not only reduce the waiting period for card room employees to begin working, it will also reduce the number of special waivers issued by staff to CREs that begin working prior to their waiting period being up.

### **WAC 230-04-142**

#### **Notification to the commission upon beginning, terminating, or changing employment – Public card room employees.**

Language has been amended to correspond

with the new, streamlined reporting process and to require only the employer to report CRE changes to the commission. Furthermore, the information that is reported to us has been reduced. The timelines for reporting new hires and terminations is still under discussion. Currently, the proposal is to require that the Commission receive the notice within seven days. ?



***Washington State Gambling Commission***  
***2001 COMMISSION MEETING SCHEDULE***

**January 11 & 12**

**DoubleTree Guest Suites & Inn**

16500 Southcenter Parkway  
Seattle, WA 98188 – (206) 575-4743

**February 8 & 9**

**Cavanaugh's at Capitol Lake**

2300 Evergreen Park Drive SW  
Olympia, WA 98502 – (360) 943-4000

**March 8 & 9**

**Double Tree Hotel - Pasco**

2525 North 20<sup>th</sup> Ave  
Pasco, WA 99301 – (509) 547-0701

**April 12 & 13**

**The Heathman Lodge**

7801 NE Greenwood Drive  
Vancouver, WA 98662 – (360) 254-3100

**May 10 & 11**

**The Inn at Gig Harbor**

3211 56<sup>th</sup> St NW  
Gig Harbor, WA 98335 – (253) 858-1111

**June 14 & 15**

**LaConner Country Inn**

Meeting at Maple Hall (108 Commercial St)  
107 S Second Street  
LaConner, WA 98257 – (360) 466-3101

**July 12 & 13**

**DoubleTree Hotel / Yakima Valley**

1507 N First Street  
Yakima, WA 98901 – (509) 248-7850

**August 9 & 10**

**Howard Johnson Plaza Hotel**

3105 Pine Street  
Everett, WA 982301 – (425) 303-8284

**September 13 & 14**

**Shilo Inn**

707 Ocean Shores Blvd NW  
Ocean Shores, WA 98569-9593 – (360) 289-4600

**October 11 & 12**

**Icicle Inn**

505 Highway 2  
Leavenworth, WA 98826 – (509) 548-7000

**November 8 & 9**

**WestCoast Silverdale Hotel**

3073 NW Bucklin Hill Road  
Silverdale, WA 98383 – (360) 698-1000

*(No Meeting in December)*





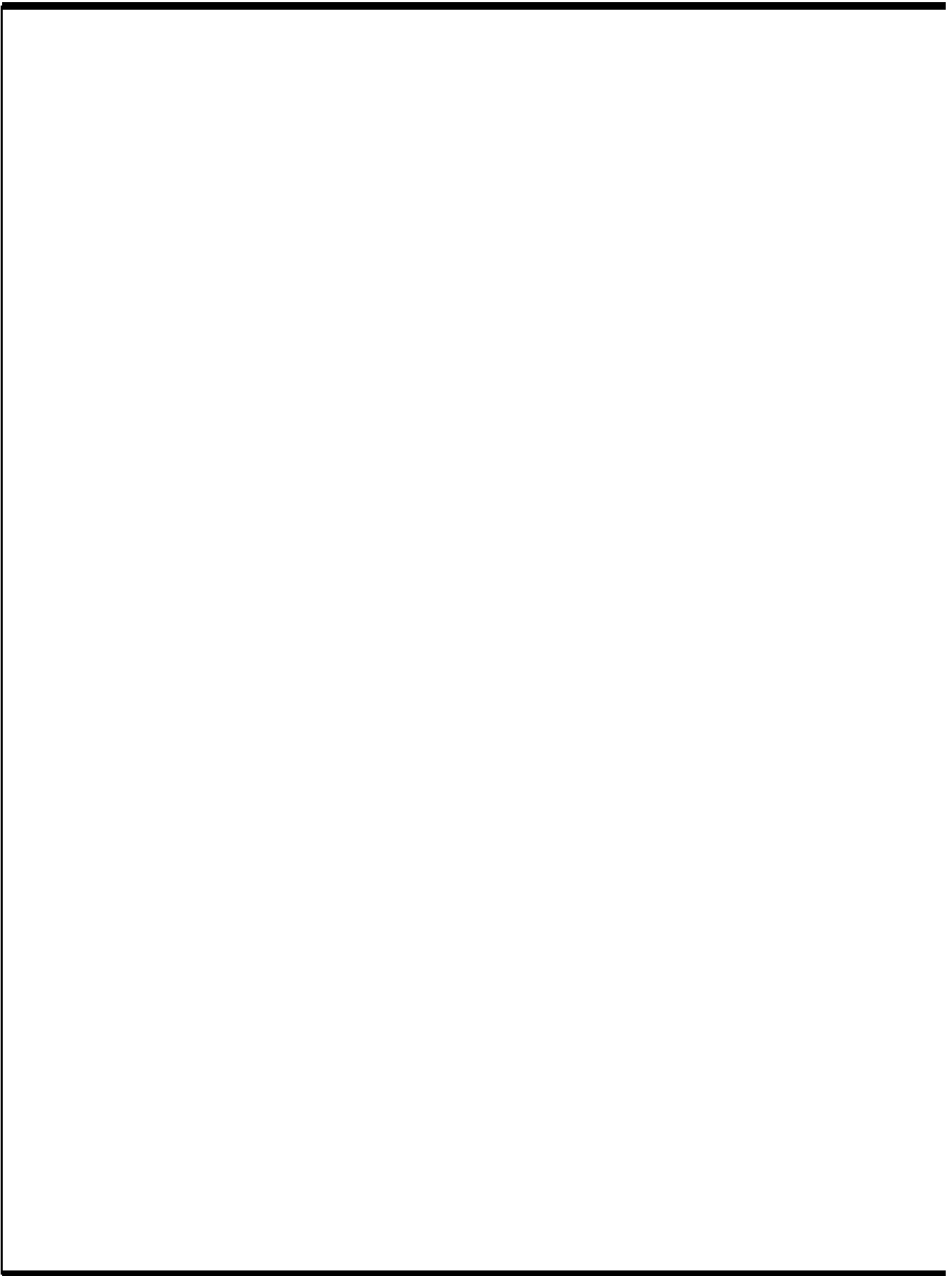
## Rules Note...



On the following pages of this newsletter are the rules that were passed at the November Meeting. They will become effective on the date listed on each rule.

Please remove the attached rules from the newsletter and place it into the appropriate section of your rules manual as required by WAC 230-12-080.









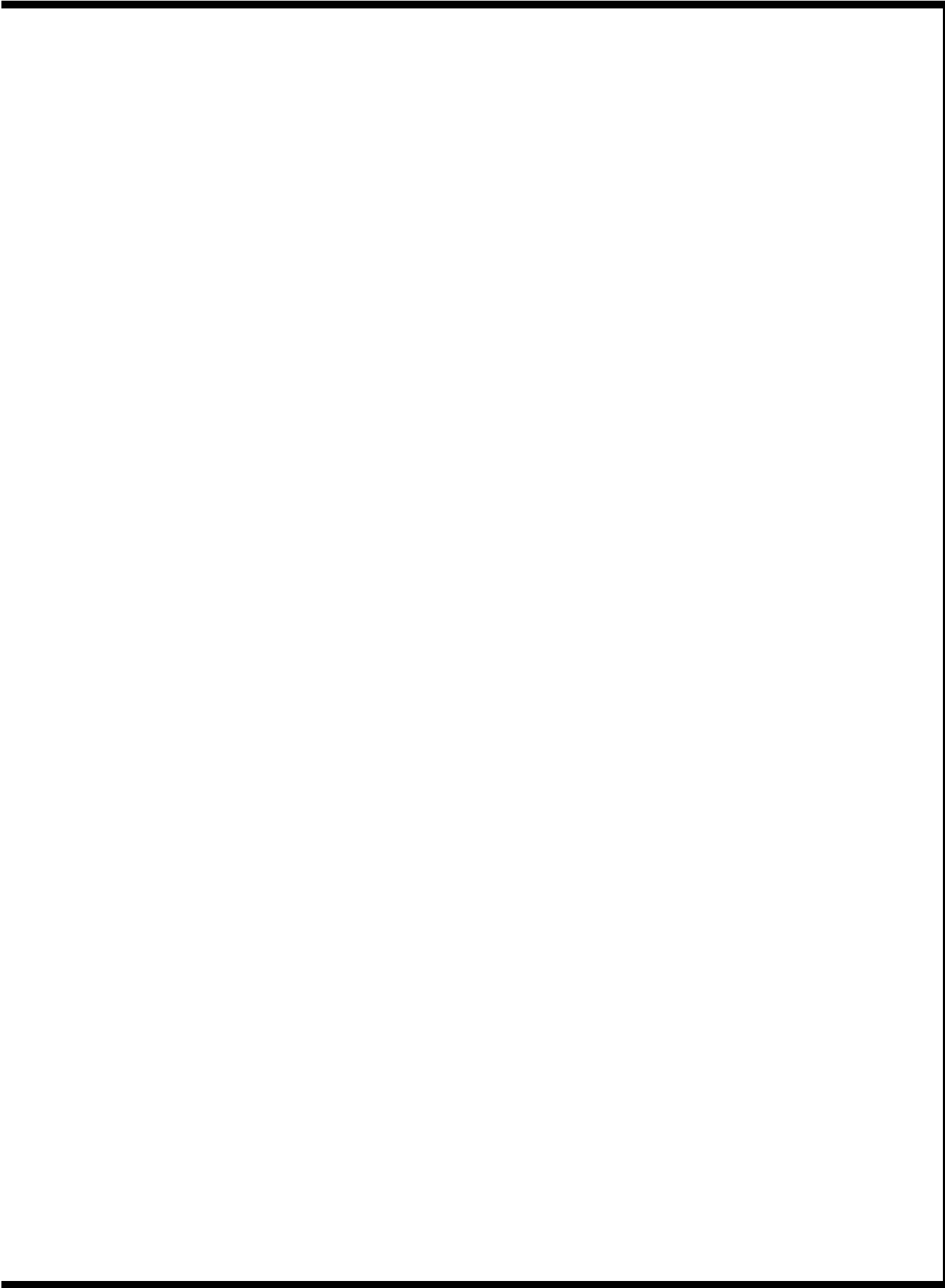




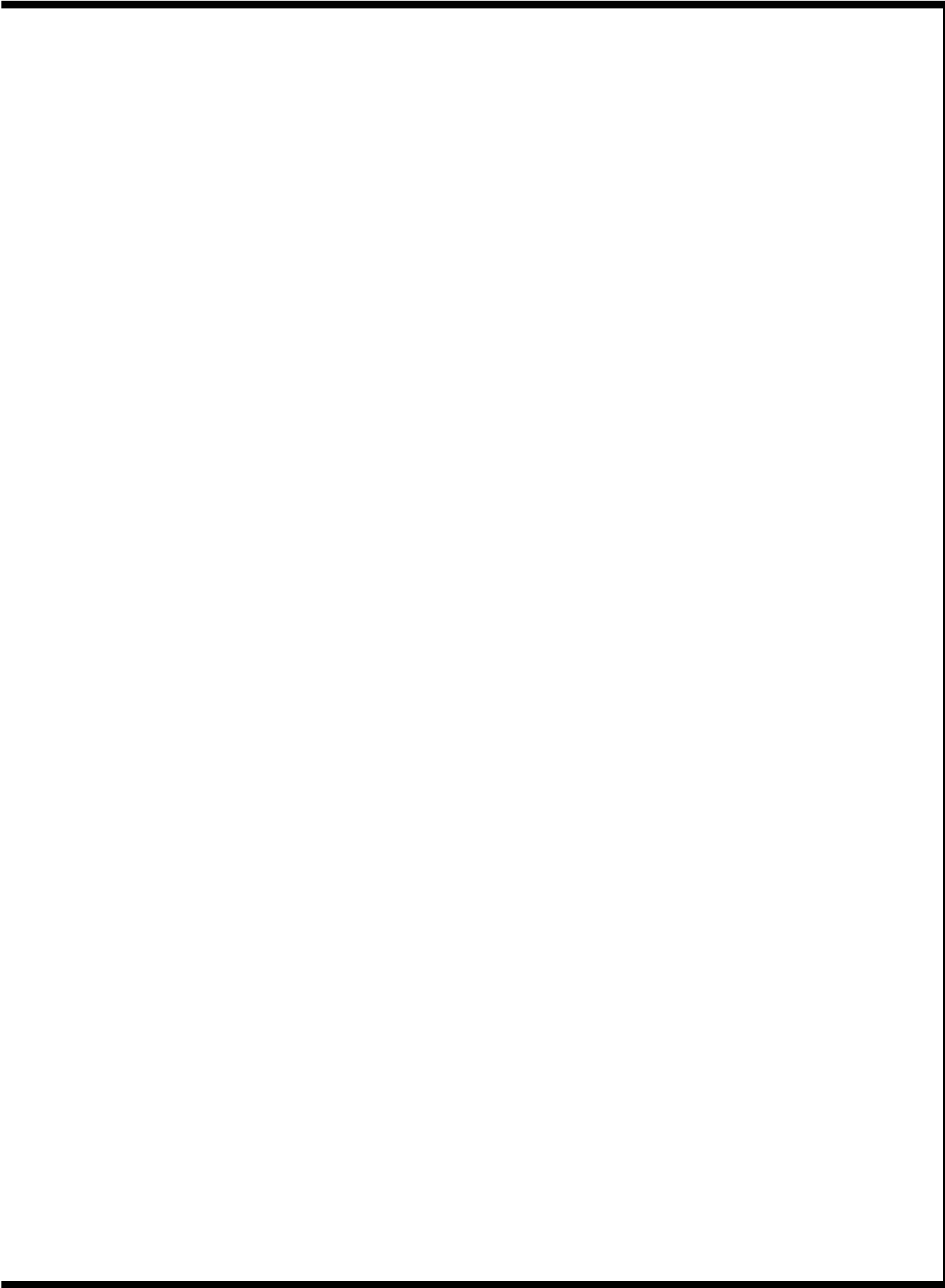
















## Operational Questions/Regional Offices

**Lynnwood** (425) 776-6751

**Tacoma** (253) 471-5312

**Spokane** (509) 456-3167

**Bellingham** (360) 738-6203

**Yakima** (509) 575-2820

**Wenatchee** (509) 662-0435

## Headquarters

**Lacey (800) 345-2529 or (360) 438-7654**

### Extension Numbers

Administration/Media Questions	302	Administrative Charges and Cases (Compliance and Hearings)	423
Media Questions	324/374		
License Application Requests	300	Tribal Negotiations (Class III)	307
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\* Call the closest regional office listed above

**Washington State Council on Problem Gambling  
(800) 547-6133**

### WASHINGTON STATE GAMBLING COMMISSION

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Olympia, Washington 98504-2400

**Location:**  
649 Woodland Square Loop SE  
Lacey, Washington 98503

**Phone: (360) 438-7654**  
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**1-800-345-2529**  
**TDD: (360) 438-7636**

***We're on the Web***  
***www.wa.gov/gambling.wsgc.htm***

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